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J.D. WILLIAMS APR 29 1999

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

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TESTIMONY OF THE CHEYENNE RIVER SIOUX TELEPHONE AUTHORITY

On behalf of the Cheyenne River Sioux Tribe and its Tribal Chairman, Greg Bourland, I am pleased to represent our Tribe and its Telephone Authority in providing testimony at this FCC hearing on telephone service in Indian Country. We feel that these FCC hearings that are being held in Indian Country provides America a point of view that Native Americans have been literally forgotten in the technology world and through Chairman Kennard's direction, issues and solutions are being discussed and hopefully Indian Country will benefit from these efforts.

The Cheyenne River Sioux Tribe is located in north central South Dakota and has a population of 11,280 people located in a 4,600 square mile area. The reservation comprises an area of 2.8 million acres, about the size of Connecticut.

C.R.S.T. Telephone Authority serves over 2,900 access lines within the reservation boundaries. The business operation began in 1958 and is probably the oldest Indian telecommunications company in the United States. It is one of the major employers within the local economy and provides excellent technology jobs. With our long history in the telecommunications business, our penetration rate is only 75 %, not acceptable when compared to the national levels with the United States.

Our reservations residents enjoy digital switching, fiber backbone, digital carrier service, one-party service, paging, internet service and cellular service. The main reason for this achievement is a long forty (40) years of committed service by the Tribe and its company - it did not happen overnight. The telecommunications infrastructure has allowed for development of other diversified businesses and enhanced the local economy as well. The Telephone Authority has developed a retail office supply sales outlet, a cable television/ direct broadcast satellite business, a retail propane business and is a local internet service provider. The latest business development is the formation of a data processing company that recently was approved with the Small Business Administration 8 (a) certification. LTI brings high hopes of creating hundreds of high quality technology jobs on the Cheyenne River Sioux Reservation.

Our Tribe and the Telephone Authority's success has come from within, the drive to provide adequate service to the people and to future generations. Other tribal governments must recognize their responsibilities as sovereigns in this area as well. Tribes must examine the issues and educate themselves about the problems and potential solutions. The FCC has offered its hand in the spirit of government-to-government relations and tribes must now meet this challenge by working with the

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FCC to ensure that Indian Country will have access to basic and advanced telecommunications services.

The FCC must establish a government to government relations policy concerning Indian tribes. This policy should be implemented in the FCC's rules so that any action by a carrier, a state government or by the FCC that potentially affects an Indian nation, the action will be addressed in a manner consistent with Federal Trust responsibility by individuals versed in tribal issues and federal Indian law. The following are a few specific examples of applications of such a policy:

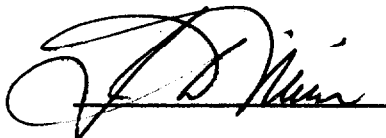
- 1. The federal portion of universal service should be 100 percent. Companies have stayed away from Indian Country because of lack of population and the ruralness associated with many reservations. Universal service is a key element that would stimulate telecommunications companies to consider investing in these areas - there has to be some long-term incentive offered.**
- 2. A continuance of the hardship funds under the Rural Utilities Service (RUS) that is designed for the specific needs of Indian Country. All telecommunications companies serving these areas would have access to these funds and low cost loan funds under this program would remain as an incentive for high cost investment.**
- 3. Provide for a specific allocation of spectrum that will benefit Indian Country. As a general rule, Indian tribes have not been involved concerning the spectrum auctions and there are specific cases that wireless technology will work to provide basic and advanced services to Indian Country. Saddleback Communications on the Salt River Reservation in Arizona is a great example. In addition, the FCC should take appropriate steps to encourage new technologies including possible waivers of technical limitations.**
- 4. CRSTTA promotes service affordability within Indian Country. Affordability comes into jeopardy with the FCC reviewing Access Charge Reform and its proposal to shift the Common Carrier Line element to the local rate portion. Many reservations are considered to be some of the poorest sections in America, our reservation has a constant 60 % unemployment rate. Significant local rate increases will mean that Indians will not be able to afford a telephone and is noted that this is currently part of the problem today.**
- 5. The Telecommunications Act of 1996 needs to apply across the board to all telecommunication companies in America. The FCC recently addressed the Consolidated Telephone Cooperative vs. Western Wireless Inc. issue that is located 160 miles to the north of our company with a statement that it would be on a " rocket docket " to guarantee competition. Indian telecommunications issues before the FCC need to be dealt with in the same expeditious manner.**
- 6. A recognition of tribes, tribal lands and tribal laws must be included in future involvement with the FCC and possible development of Indian policies. Carriers**

should be required to clarify any modification, reduction of services, or discontinuance of common carrier telecommunications services. Any/all transfers of control of telephone exchanges that are located on tribal lands should be required prior notice to and approval of the local tribal government.

- 7. The FCC should explicitly notify tribal governments of actions to be taken with respect to services provided on tribal lands by all carriers. Sufficient advance notice should be provided to permit meaningful consultation.**

The issues presented here should be considered a mere sampling of the issues and concerns that the tribes and the FCC must begin to address. We must constantly remain cognant of the fact that America as a general rule has connectivity to over 90% of its population and has access to the super information highway. We cannot let the Native Americans become the forgotten Americans in this important issue of having access to technology and information. The Cheyenne River Sioux Tribe and Telephone Authority applaud the efforts of the FCC and Chairman Kennard in taking this historic first step and has high hopes that continued hard work will generate positive results in establishing the government to government relationship and federal policies that are so desperately needed, thank you.

testimony submitted by,

A handwritten signature in black ink, appearing to read "J.D. Williams", written over a horizontal line.

**J.D. Williams, General Manager
Cheyenne River Sioux Tribe Telephone Authority**